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THE EFFECT OF IMPLEMENTING LOCAL GOVERNMENT INFORMATION SYSTEM ON THE QUALITY OF LOCAL GOVERNMENT FINANCIAL REPORTS MODERATED BY HUMAN RESOURCE COMPETENCE

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ABSTRACT
This study aims to measure the effect of implementing local government information systems on the quality of government financial reports with human resource competence as a moderating variable. The research was conducted using quantitative methods, and data collection was carried out using questionnaires and PLS with the help of WarpPLS software. The results of this research analysis show empirical evidence that the implementation of local government information systems on the quality of local government financial reports can have a positive effect; on the other hand, human resource competence can moderate the relationship between the application of local government information systems to the quality of local government financial reports. Studies This gets empirical proof about many matters related to quality report finance government area. System information government area own influence positive to quality report finances. Competence source Power man can strengthen influence connection between information systems government area to quality report finance government area.

Keywords: financial report, government, information system.

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INTRODUCTION

Accountability public is obligated to hold the trust (agent) for give accountability, presenting, reporting, and disclosing all activities and activities that become a responsibility of to giver trust (principal) who owns the right To request accountability (Ghozali & Latan, 2014). Delivery report accountability form report finance is effort concrete for realize transparency and accountability management finance government, fine government center nor government area (Zubaidi et al., 2019).

The Law Number 17 of 2003 concerning State Finance regulates the form of accountability in the administration of the government (Orlanda, 2020). Within this law, it is explained that the Governor/Regent/Mayor submits a draft regional regulation regarding the accountability of the implementation of the Regional Budget (APBD) to the Regional People's Representative Council (DPRD) in the form of a financial report that has been audited by the Supreme Audit Agency, no later than 6 (six) months after the fiscal year ends.

The Financial Report (FR) is prepared based on government accounting standards in accordance with Government Regulation (PP) Number 71 of 2010. The Financial Report provides relevant information about the financial position and all transactions conducted by a reporting entity during a reporting period (Murapi, 2020). One of the provisions for presenting the Government Financial Report (GFR) is that it must possess characteristics to ensure the quality of the FR, which can present accurate and accountable information, including: relevance, reliability, comparability, and understandability. The components of GFR consist of Budget Realization Report (BRR), Excess Budget Balance Change Report (EBBCR), Balance Sheet, Operational Report (OR), Cash Flow Statement (CFS), Equity Change Report (ECR), and Notes to the Financial Report (NFR).

To realize governance good governance (good governanc), the government area in compiled report finance must be transparent and can be held accountable. The party using report finance naturally accesses report finances that have provided government area. Because the information in it must truly benefit its users (Mahaputra & Putra, 2014).

The Local Government Financial Report (LKPD) receives an evaluation in the form of an Opinion from the Financial Supervisory Authority (BPK). When the BPK issues an Unqualified Opinion (WTP) on the Local Government Financial Report (LKPD), it can be stated that the financial report of a local government entity is presented and disclosed fairly and with quality (Muid., 2014.).

However, the success of System Information Regional Management (SIMDA) in helping the management finance area to increase Quality Report Finance was replaced with System Information Regional Government (SIPD). This is under the mandate of Law No. 23 of 2014 article 391, which mentions that the Regional Government is mandatory to provide information government area, which is managed in something system information government area. Obligation utilization of technology information furthermore arranged with Minister of Home Affairs Regulation Number 70 of 2019 concerning System Information Regional Government, which mentions that Regional Government is mandatory to provide information Regional Government consisting of 2 (two), namely: Regional Development Information and Information Regional Finance (Murapi, 2020).

Based on observation, researchers on the OPD scope District Government Tojo Una-Una since 2022 finds that SIPD is not walking as expected, p the caused by: (1) SIPD has not fully used optimally, which causes the implementation of SIPD by OPD has not been able to help reach objective organization local government in a manner maximum, (2) less OPD readiness to accept and apply SIPD based On line especially in SIPD Accounting and Reporting (AKLAP) for do procedure accounting, (3) ability mastery SIPD operation that has not evenly distributed in each OPD, Where application This demand the user No only fluent in accountancy but also deep use computer, (4) still Lots found more OPD choose to use paper manual labor or with Ms. Excel For finish perceived work easier than using SIPD (Furqan, 2020).

Related constraint the government area through BPKAD continues do coaching to employee-manager OPD finances increase competency resource man through activity aunt n bro technical Good in a manner online nor offline. Competence is the characteristics of someone who has skills (skills), knowledge (knowledge), and capabilities (ability) to carry out something underlying work somebody reaches performance high on the job.

According to Yeni et al. (2020), To produce information useful finances for users, then report finance must be prepared by the owning personnel competent in the field management finance area and system accounting. Using SIPD is a must supported by competent resource-right humans in drafting report finance. If not supported with competence resource background human behind education in the field accountancy so the application of SIPD and SPIP is not can walk effective and not Can produce Report Quality finance (Darma D, 2021).

Competence source Power man can influence the quality report generated finances. Resources The human being referred to here is capable of compiling Report Finance based on standard and understanding cycle accountancy government, fine in matter management finance area nor System government area.

METHODS

the Study uses a quantitative approach. Study quantitative emphasis on testing theory through variables. Study with figures and do data analysis with procedure statistics. Study This is categorized as explanatory research; the population in Study This is the whole Organization Regency Regional Apparatus (OPD). Tojo Una-Una. OPD in the District Tojo Una-Una consists of 40 OPD of 2 Secretariats, 1 Inspectorate, 17 Offices, 6 Agencies, 1 Unit, 3 Houses Hospital, and 12 Districts.

Variable dependent in Study This is quality report finance, where quality report finance Variable Quality Report Finance government area seen from characteristics qualitative report finance based on PP No. 71 of 2010 concerning Standard Accountancy Governance (SAP): relevant, reliable, can compare and get understood. Quality Report Finance Local Government in Study This will be measured using statement items with a measurement scale ordinal with a score of 1 to 5.

Variable independent in Study This is System information Local Government Indicators used For measure reliability System Information The Regional Government is guided by Permendagri 70 of 2019 concerning System Information Regional Government consists of planning budget area, implementation and administration finance area and accounting and reporting finance area. System Information Local Government uses statement items with measurement scale ordinal with scores 1 to 5.

Variable Moderation in Study This is Competence source Power human beings, based on the Decree of the Head of the State Civil Service Agency Number 46A of 2003 concerning Guidelines Preparation Standard competence Position Structural Civil Servant. Indicator Measurements used includes skills, knowledge, and attitude/behavior. Competence source Power man in Study This will be measured using statement items with an ordinal measurement scale with scores 1 to 5.

RESULTS AND DISCUSSION

Study This was done in the government Regency Tojo Una-Una with as many as 128 respondents. Spread as many as 128 through questionnaire Google forms to the whole Organization Regional Devices (OPD) scope Regency Tojo Una-Una.

Table 1. Questionnaire Distribution

OPD type	Number of OPDs	Number of Questionnaires
Secretariat	2	6
Service	15	45
Body	7	26
Inspectorate	1	3
Police Unit. pp	1	3
Hospital	3	9
Subdistrict	12	36
Amount	**40**	**128**

Source: Primary Data Processed, 2023

Test results that have been done For test several other fit model indicators (parameters) such as Average Path Coefficient (APC), Average R-squared (ARS), Average adjusted R squared (AARS), Average VIF Block (AVIF), And Average VIF block (AVIF) are presented in table 2.

Table 2. Model of Fit and Quality Indices

Model fit and quality indices	Index	p-values	Criteria	Information
Average path coefficient (APC)	0.302	P<0.001	P<0.05	Accepted
Average R-squared (ARS)	0.762	P<0.001	P<0.05	Accepted
Average adjusted R-squared (AARS)	0.755	P<0.001	P<0.05	Accepted
Average block VIF (AVIF)	1819	<= 5, ideally <= 3.3		Accepted
Average full collinearity VIF (AFVIF)	2,602	<= 5, ideally <= 3.3		Accepted
Tenenhaus GoF (GoF)	0.738	small >= 0.1, medium >= 0.25, large >= 0.36		large
Simpson's paradox ratio (SPR)	1,000	>= 0.7, ideally = 1		Accepted
R-squared contribution ratio (RSCR)	1,000	>= 0.9, ideally = 1		Accepted
Statistical suppression ratio (SSR)	1,000	>= 0.7		Accepted
Nonlinear bivariate causality direction ratio (NLBCDR)	0.625	>= 0.7		Accepted

Structural model analysis can be used to test the hypothesis. Measurement results structure full model equation based on data processing using WarpPLS software presented in the following picture.

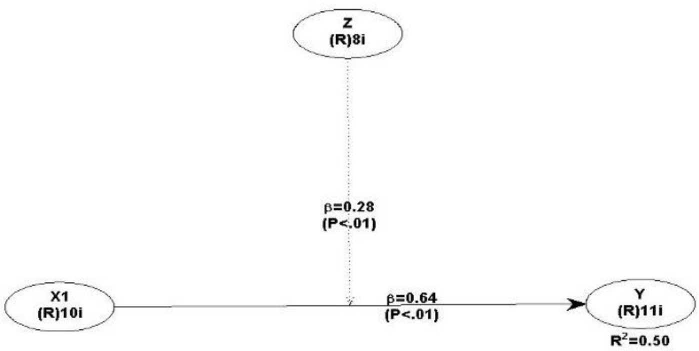

Figure 1. Full Structural Equation Model

After Combined Loading and Cross- Lodings data have fulfilled the criteria, the next measurement of Convergent validity is with see AVE value (Average Variance Extracted), that AVE is used For evaluation validity convergence, a criterion that must be fulfilled, i.e., AVE>0.50. Following This AVE value, each construct can see table below:

Table 3. Output Results from Latent Variables Coefficients

Variable	Avg . Var . Extract (AVE)

Local Government Information System (X1)	0.574
Quality of Local Government Financial Statements (Y)	0.617
Human Resources Competency (Z)	0.576

Source: Primary Data Processed 2023

Based on these results, the five constructs have met convergent validity because SIPD has an AVE value of 0.574> 0.50, KLKPD has a value of 0.617> 0.50, and KSDM has a value of 0.576> 0.50.

Composite Reliability

The next test is the reliability test construct that can be measured by two criteria: composite Reliability and Cronbach's alpha. Composite Reliability of data with composite Reliability> 0.8 has high Reliability. Average Variances Extracted AVE) is expected to be >0.5, and Cronbach's value alpha declared reliable is expected to be > 0.6 for all constructs (Katharina, 2019).

Table 4. Composite's Reliability And Cronbach's alpha

Description	Composite Reliability	Cronbach's alpha
SIPD	0.930	0.915
KLKPD	0947	0.938
KSDM	0912	0891

Source: Primary data processing, 2023

Based on the table explained fifth construct has fulfilled the criteria reliable because SIPD has marked composite Reliability above 0.930> 0.70 and the value of Cronbach's alpha is above 0.915>0.60, KLKPD has a composite reliability value above 0.947> 0.70 and value of Cronbach's alpha above 0.938 >0.60, and KSDM has composite reliability value above 0.914> 0.70 and Cronbach's alpha value above 0.891> 0.60, can conclude that all construct fulfill criteria reliable. This showed with mark composite Reliability above 0.70 and value Cronbach's alpha above 0.60 as recommended criteria.

Application System Information Regional Government is influential Positive to Quality Report Finance Regional Government.

Testing hypothesis 1 (H1), which states that System Information Local Government owns an influence positive and significant on Quality Report Finance Local Government can be accepted and proven right, where results proven from Output Path Coefficients and P values that describe presentation results estimate coefficient path (Path coefficient) and p value (Abdullah, 2022). From the results testing above, see mark Path coefficients influence System Information Local Government against Quality Report Finance Local Government is of 0.328 and significant at 0.001 more small of p<0.05 or 5%, so that the proposed hypothesis accepted.

Research results in This is the same with a previous research. Did the Study influence System Information Management Regional Finance (SIPKD) against quality report finances? Results show that the more effectively applying SIPKD, the quality of report finances will be reflected later in the BPK audit opinion. In line with Dian et al. (2018) stated the magnitude of influence of SIMDA implementation of quality report finance government area (Diana, 2018).

Competence Source Power Man moderate influence System Information Local Government against Quality Report Finance Regional Government.

Testing hypothesis 2 (H2) shows that Competence Source Power Man own influence positive and significant as variable moderation connection between System Information Local Government against Quality Report Finance Local Government, where Path coefficients value of 0.144 with a p-value of 0.047 or more small from $p<0.05$ or 5% so the proposed hypothesis is accepted.

In the Study, the proposed hypothesis was accepted, p This means that Competence Source Power Man strengthens the influence System Information Local Government in increasing Quality Report Finance Regional Government (Marjoni, 2018). In other words, the more good Application System Information Local Government, the more Good Quality Report Finance Regional Government. It is in line with TAM theory adapted from the Theory of Reasoned Action developed by Davis (1989), with additional elements: usability, convenience use (perceived ease of use). The second element This becomes consideration that with apply system information can influence the performance of somebody in carrying out duties and work (Yenni, 2020).

Test results show that Competence Source Power Man own significant influence as variable moderation System Information Local Government against Quality Report Finance Local Government caused good application of SIPD must be supported by competence source Power good human too (Arif, 2017). SIPD loading element Where is the usefulness? SIPD application is system based developed web application to use reach accountability for government area of entity accounting (OPD) and entity reporting (Pemda) and elements of convenience use (ease of use) because of the menus and features provided by special SIPD Easy Accounting and Reporting understood and learned.

CONCLUSION

Studies This gets empirical proof about many matters related to quality report finance government area. System information government area own influence positive to quality report finances. Competence source Power man can strengthen influence connection between information systems government area to quality report finance government area. Some suggestions are in their Study. This encourages OPD and Local Government to maximize the utilization of technology information, especially in applications System Information Local Government (SIPD) to improve and maintain report quality finance. Then Increase quality Source Power Human (HR), i.e., competence and character of the Apparatus State Civil Servants on duty in the OPD environment through guidance and training about management finance area to support effective and efficient implementation of SIPD and SPIP.

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